REMARKS

Claims 1-17 remain pending in the present application. Claims 1, 7 and 17 have been amended. Basis for the amendments can be found throughout the specification, claims and drawings as originally filed.

REJECTION UNDER 35 U.S.C. § 102

Claims 1-2, 4-10 and 15-17 are rejected under 35 U.S.C. § 102(b) as being anticipated by Newton (U.S. Pat. No. 3,701,264). Applicant respectfully traverses this rejection.

In our previous response, we amended Claims 1 and 7 and added new Claim 17 to define that the adjustment unit adjusted both an opening degree of the throat portion and an opening degree of an outlet of the nozzle. The Examiner commented that he reads the outlet of the nozzle 22' as beginning at the throat portion and that the needle valve extends into the outlet defined by the Examiner to adjust its opening degree.

Applicant used the term "outlet of the nozzle" as meaning the exit of the nozzle and not the passageway which is between the throat and the exit of the nozzle. In order to clarify the Applicant's meaning of "outlet of the nozzle", Claims 1, 7 and 17 have been amended to define that the adjustment unit adjusts both an opening degree of the throat portion and an <u>exit opening</u> of an outlet of the nozzle. The needle 104 in Newton does not extend to the exit opening of the nozzle and thus it cannot adjust the exit opening of the nozzle.

Thus, Applicant believes Claims 1, 7 and 17, as amended, patentably distinguish over the art of record. Likewise, Claims 2, 4-6, 8-10, 15 and 16, which ultimately

depend from one of these claims, are also believed to patentably distinguish over the art of record.

Regarding Sahoda, et al. and the possibility of combining Sahoda, et al. with Newton, there is no incentive to combine these references. Newton utilizes needle valve 104 to open and close passage 105 to adjust the opening of the nozzle. (Column 6, lines 16-23). Sahoda, et al. uses needle 33 to adjust the opening of nozzle 32. Thus, both of these references disclose a different method of adjusting the opening of the nozzle. In Sahoda, et al. the adjustment of the nozzle is done at the exit to the nozzle and not at a tapered portion as is disclosed in Newton. There is nothing in Newton which would suggest adjusting both the opening of a throat portion of the nozzle and the exit opening of the nozzle other than the Applicant's disclosure.

"There are three possible sources for a motivation to combine references: the nature of the problem to be solved, the teachings of the prior art, and the knowledge of persons of ordinary skill in the art." *In re Rouffet*, 149 F.3d 1350, 1357, 47 USPQ2d 1453, 1457-58 (Fed. Cir. 1998) (The combination of the references taught every element of the claimed invention, however without a motivation to combine, a rejection based on a *prima facie* case of obvious was held improper.). The level of skill in the art cannot be relied upon to provide the suggestion to combine references. *Al-site Corp. v. VSI Int'l. Inc.*, 174 F.3d 1308, 50 USPQ2d 1161 (Fed. Cir. 1999).

"In determining the propriety of the Patent Office case for obviousness in the first instance, it is necessary to ascertain whether or not the reference teachings would appear to be sufficient for one of ordinary skill in the relevant art having the reference before him to make the proposed substitution, combination, or other modification." *In re Linter*, 458 F.2d 1013, 1016, 173 USPQ 560, 562 (CCPA 1972).

Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge generally available to one of ordinary skill in the art. "The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art." *In re Kotzab*, 217 F.3d 1365, 1370, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000). See also > *In re Lee*, 277 F.3d 1338, 1342-44, 61 USPQ2d 1430, 1433-34 (Fed. Cir. 2002) (discussing the importance of relying on objective evidence and making specific factual findings with respect to the motivation to combine references); < *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988); *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

Applicants submit that the proper test for evaluating prior art under 35 U.S.C. Section 103 is whether or not the prior art, either individually or taken together, can be seen as suggesting the Applicants' solution to the problem which the invention addresses. See: Rosemont, Inc. v. Beckman Instrument, Inc., 221 USPQ 1, 7, (Fed. Cir. 1984). The scope of pertinent prior art has been defined as that reasonably pertinent to the particular problem with which the inventor was involved. See: Lindemann Machinefabrik GMBH v. American Hoist and Derrick Co., 221 USPQ 481, 487 (Fed. Cir. 1984). Applicants assert that the use of hindsight in picking and choosing isolated elements from various pieces of prior art and applying it to the problems

addressed by Applicants' invention is improper according to the above-discussed judicial standards governing the proper application of 35 U.S.C. Section 103.

In *Lindemann*, *supra*, in reversing a district court holding of invalidity of certain patent claims under Section 103, the C.A.F.C. indicated in relevant part:

"The district court defined the problem here broadly, i.e., as the problem of compressing waste materials. That finding is clearly erroneous. The inventors' problem was the crushing of massive metal scrap. Nothing in the prior art relied on as invalidating had any relation whatever to the crushing of massive metal scrap." 221 USPQ at 487.

The Court in *Lindemann* also later observed:

"The '315 patent [in suit] specifically stated that it disclosed and claimed a combination of features previously used in two separate devices. That fact alone is not fatal to patentability. The claimed invention must be considered as a whole, and the question is whether there is something in the prior art as a whole to suggest the desirability, and thus the obviousness, of making the combination. ...That question must here be answered in the negative.

"Nothing in the references alone or together suggests the claimed combination as a solution to the problem of crushing rigidly massive scrap." 221 USPQ at 488.

In a recent decision of the C.A.F.C., *Panduit Corp. v. Dennison Manufacturing* Co., 810 F. 2d 1561, 1 U.S.P.Q. 2d 1593 (Fed. Cir. 1987), Chief Judge Markey discussed and applied the various judicial pronouncements summarized above in reversing a lower court's holding of invalidity based on obviousness under Section 103, and further cautioned against the impermissible use of hindsight in picking and choosing isolated elements from various pieces of prior art, which bear little or no relationship to each other or to the problems addressed by the Applicants' invention, in reconstructing the claimed invention from the Applicants' own disclosure.

In the *Panduit* decision, Chief Judge Markey offered the opinion that such impermissible hindsight reconstruction from isolated elements in a number of prior art references in order to arrive at the claimed combination is contrary to the purpose of the patent laws.

"Virtually all inventions are necessarily combinations of old elements. The notion, therefore, that combination claims can be declared invalid merely upon finding similar elements in separate prior patents would necessarily destroy virtually all patents and cannot be the law under the statute, Section 103." 810 F. 2d at 1575. 1 USPQ 2d at 1603.

Furthermore, Judge Markey severely criticized the lower court for failing to view the claimed combination invention as a whole, but rather selecting bits and pieces from prior patents that might be modified to fit the lower court's interpretation of the claims.

Further, in the *Panduit* decision, Judge Markey discussed the fact that the large body of prior art, individual pieces of which show various bits and pieces of the claimed combination, can actually support a conclusion of <u>non-obviousness</u>, rather than serving as a basis for hindsight bit-by-bit reconstruction of the claimed invention.

"Indeed, that the elements noted by the court lay about in the prior art available for years to all skilled workers, without, as the court found, suggesting anything like the claimed inventions, is itself evidence of non-obviousness. ...[The court] nowhere reconciled [its] evaluations with its contrary findings that no one skilled in the art had for years been led to those evaluations by the prior art." 810 F. 2d at 1577-78, 1 USPQ 2d at 1605.

Judge Markey's opinion also addressed the hindsight picking and choosing problem accordingly:

"The district court nowhere pointed to anything in the prior art that would have suggested the desirability, and thus the obviousness, of making the distinctive structural elements and combinations... invented and claimed. Nor did the court succeed in the difficult task of casting its mind back into that of a person of ordinary skill in the

art that had no <u>pre-knowledge</u> of the crucial structural differences that vitalize [the] inventions." 810 F. 2d at 1580, 1 USPQ 2d at 1606 (emphasis in the court's opinion).

In the present application, the cited references relate to problems that are quite distinct from the specific problems addressed by Applicants' claimed invention. Thus, it appears that at the time the invention was made, one skilled in the art would not have looked to these references in order to solve these problems, at least as these problems are addressed by Applicants' claimed invention.

REJECTION UNDER 35 U.S.C. § 103

Claims 3, 11, 13 and 14 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Newton in view of Sahoda, et al. (U.S. Pat. No. 6,706,438). Claims 3, 11, 13 and 14 ultimately depend from one of Claims 1, 7 and 17. As stated above, Claims 1, 7 and 17 have been amended and are now believed to patentably distinguish over the art of record. Thus, Claims 3, 11, 13 and 14 are also believed to patentably distinguish over the art of record. Reconsideration of the rejection is respectfully requested.

CONCLUSION

It is believed that all of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicant therefore respectfully requests that the Examiner reconsider and withdraw all presently outstanding rejections. It is believed that a full and complete response has been made to the outstanding Office Action, and as such, the present application is in condition for allowance. Thus, prompt

and favorable consideration of this amendment is respectfully requested. If the Examiner believes that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at (248) 641-1600.

Respectfully submitted,

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